

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution ALJ 176-3161
Administrative Law Judge Division
October 27, 2005

R E S O L U T I O N

RESOLUTION ALJ 176-3161. Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4, and 6.1 of the Commission's Rules of Practice and Procedure. (See also Rule 63.2(c) regarding notice of assignment.)

The Commission's rules and procedures which implement the requirements of Senate Bill (SB) 960 (Leonard, ch. 96-0856) are, for the most part, found in Article 2.5 of our Rules of Practice and Procedure. The rules and procedures were adopted by the Commission in D.97-11-021, which describes more fully the background to the development of these rules. Rule 4 describes the formal proceedings to which the SB 960 rules (Article 2.5) apply. Rule 6.1 requires the Commission to preliminarily determine a proceeding's category, whether the proceeding requires a hearing, and designate an Assigned Commissioner and Administrative Law Judge. Rule 6.1(a) states that the preliminary determination of category is not appealable but shall be confirmed or changed by Assigned Commissioner's ruling. Unless and until a preliminary determination is changed by such ruling, the preliminary determination of category governs the applicability of the other reforms that SB 960 requires. Rule 63.2 provides for petitioning the Commission to reassign a proceeding to another administrative law judge. Rule 63.2(c) establishes the time for filing such a petition. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

The Categories

SB 960 makes sweeping changes in many aspects of the Commission's practices in an effort to improve the quality and timeliness of Commission decision making. It creates three categories of proceedings: adjudicatory, ratesetting, and quasi-legislative. The

applicability of many of the changes it requires depends upon the category assigned to the proceeding. For example, the ex parte rules which apply differ if the proceeding is categorized as adjudicatory rather than quasi-legislative. The Legislature defined each of these procedural categories in Section 7 of SB 960. Consistent with these definitions, the rules provide that:

“‘Adjudicatory’ proceedings are: (1) enforcement investigations into possible violations of any provision of statutory law or order or rule of the Commission; and (2) complaints against regulated entities, including those complaints that challenge the accuracy of a bill, but excluding those complaints that challenge the reasonableness of rates or charges, past, present, or future.

“‘Ratesetting’ proceedings are proceedings in which the Commission sets or investigates rates for a specifically named utility (or utilities), or establishes a mechanism that in turn sets the rates for a specifically named utility (or utilities). ‘Ratesetting’ proceedings include complaints that challenge the reasonableness of rates or charges, past, present, or future. For purposes of this Article, other proceedings may be categorized as ratesetting as described in Rule 6.1(c).

“‘Quasi-legislative’ proceedings are proceedings that establish policy or rules (including generic ratemaking policy or rules) affecting a class of regulated entities, including those proceedings in which the Commission investigates rates or practices for an entire regulated industry or class of entities within the industry.” (Rules 5(b), 5(c), and 5(d).)

Mixed or Unclear Category Proceedings

For a proceeding that may fall into more than one category, the rules allow parties to recommend that the Commission pick the most suitable category, or to recommend dividing the subject matter of the proceeding into different phases or one or more new proceedings, each with its own category. The rules provide that a proceeding that does not clearly fit into *any* of SB 960’s defined categories will be conducted under the rules applicable to the ratesetting category. As such a proceeding matures, the Commission may determine that the rules applicable to one of the other categories, or some hybrid of those rules, would be better suited to the proceeding.

As stated in D.97-06-071, ratesetting proceedings typically involve a mix of policymaking and factfinding relating to a particular public utility. Because proceedings that do not clearly fall within the adjudicatory or quasi-legislative categories likewise typically involve a mix of policymaking and factfinding, the ratesetting procedures are, in general, preferable for those proceedings.

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Next Steps

As stated above, this preliminary determination of category is not appealable. Once interested parties have had an opportunity to respond to the initiating party's proposed category, the preliminary determination shall be confirmed or changed by Assigned Commissioner's Ruling pursuant to Rule 6(a)(3). This Assigned Commissioner Ruling may be appealed to the full Commission pursuant to Rule 6.4(a). Parties have 10 days after the ruling is mailed to appeal. Responses to the appeal are allowed under Rule 6.4(b), and must be filed and served not later than 15 days after the ruling is mailed. The full Commission will consider the appeal.

Any party, or person or entity declaring an intention to become a party is entitled to petition for reassignment of the proceeding to another Administrative Law Judge, as described in Rule 63.2. Such a petition must be filed no later than 10 days after notice of the assignment. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

Conclusion

The Commission has reviewed the initial pleading of the utility applicants listed in the attached schedule and has made a preliminary determination of category and need for hearing, consistent with the requirements and definitions of Article 2.5 of its rules.

IT IS ORDERED that each proceeding listed in the attached schedule is preliminarily categorized, and the need for a hearing is noted.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on October 27, 2005, the following Commissioners voting favorably thereon:

/s/ STEVE LARSON

STEVE LARSON
Executive Director

MICHAEL R. PEEVEY
President
GEOFFREY F. BROWN
SUSAN P. KENNEDY
DIAN M. GRUENEICH
JOHN A. BOHN

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Commissioners

PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3161 (10/27/05)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
A05-10-004 SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E), for Adoption of its 2006 Energy Resource Recovery Account (ERRA) Forecast Revenue Requirement and Review of its Power Procurement Balancing Account.	Ratesetting	Ratesetting	NO
A05-10-005 FRUITRIDGE VISTA WATER COMPANY (U 136 W), for the following orders: (1) Establishing a Moratorium on new service connections; and (2) for clarification of Tariff Rule 15 regarding payment for new facilities servicing new applicants.	Ratesetting	Ratesetting	YES
A05-10-006 CLARICOM NETWORKS, LLC (U 5765 C), ENERGY TRACS ACQUISITION CORP., MATRIX TELECOM, INC. (U 5227 C), PLATINUM EQUITY, LLC, STACOM HOLDINGS LLC, for expedited approval of the transfer of membership interests and the merger of Claricom Networks, LLC and Matrix Telecom, Inc.	Ratesetting	Ratesetting	NO
A05-10-009 TRANSCEND MULTIMEDIA, LLC, for Registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013.	NDIEC Registration Application	Ratesetting	NO
A05-10-010 SOUTHERN CALIFORNIA GAS COMPANY (U 904 G), for approval of a Long-Term Gas Transportation Agreement with Guardian Industries Corp.	Ratesetting	Ratesetting	YES
A05-10-012 SOUTHERN CALIFORNIA GAS COMPANY, for authority to transfer cushion gas in its Aliso Canyon and La Goleta Storage fields to alleviate the impact of high gas prices on CARE customers.	Ratesetting	Ratesetting	NO
A05-10-013 CONNECTTO COMMUNICATIONS, INC., for a Certificate of Public Convenience and Necessity to provide Resold Local Exchange and Interexchange Telecommunications Services within California.	Ratesetting	Ratesetting	NO
A05-10-014 HIWOT, YOSEPH B., dba EAGLE AIRPORT SHUTTLE, for authority to operate as an on-call Passenger Stage Corporation between points in the Counties of Alameda, Santa Clara and San Mateo, and the International Airports located in San Francisco, Oakland and San Jose.	Ratesetting	Ratesetting	NO

PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3161 (10/27/05)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
A05-10-015 EZEQUIEL GUIDO, dba E MARKETING, for Registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013.	NDIEC Registration Application	Ratesetting	NO
A05-10-016 PACIFIC GAS AND ELECTRIC COMPANY (U 39 M), in response to Resolution E-3921, proposing revisions to Line Extension Allowance and related policies.	Ratesetting	Ratesetting	NO
A05-10-017 CITY OF BEAUMONT, for authority to construct a new Potrero Boulevard overhead highway-rail crossing over the tracks of the Union Pacific Railroad Company, proposed CPUC Crossing No.001B-559.60-A, DOT No.924095N within the City of Beaumont, California.	Ratesetting	Ratesetting	NO
A05-10-018 SACRAMENTO REGIONAL TRANSIT DISTRICT, for Authority to construct, widen, modify and maintain South Watt Avenue across the Union Pacific Railroad tracks in the County of Sacramento, State of California.	Ratesetting	Ratesetting	NO
A05-10-019 SOUTHERN CALIFORNIA EDISON COMPANY, regarding Residential Line and Service Extension Allowances.	Ratesetting	Ratesetting	NO
A05-10-021 ONLINE SAVINGS, INC., for Registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013.	NDIEC Registration Application	Ratesetting	NO
A05-10-023 COUNTY OF SACRAMENTO, SACRAMENTO REGIONAL TRANSIT DISTRICT, for authority to construct, maintain and operate a light rail passenger system on a structure over South Watt Avenue in the County of Sacramento, State of California.	Ratesetting	Ratesetting	NO
A05-10-024 20/20 TECHNOLOGIES, INC., GLOBAL INTERNETWORKING, INC., for approval of the transfer of control of Global Internetworking, Inc.	Ratesetting	Ratesetting	NO

PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3161 (10/27/05)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
A05-10-025 GUENTHER, WILLIAM W. AND ANGELITA, SUGARLOAF VILLAGE MUTUAL WATER COMPANY, for the approval of the transfer by sale of the Bear Trap Water Company, a water system in Tulare County, from William W. and Angelita Guenther to the Sugarloaf Village Mutual Water Company.	Ratesetting	Ratesetting	NO
A05-10-026 FORESTHILL TELEPHONE CO. (U 1009C), for an Order authorizing it to issue notes in an amount not exceeding \$24,901,250., and to execute a related agreement and supplemental security instruments.	Ratesetting	Ratesetting	NO
A05-10-027 CITY OF VISALIA, for authorization for the construction of a Public Highway across a railroad crossing over the San Joaquin Valley Railroad Company's Railroad at Oak Avenue between Santa Fe and Tipton Streets, Section 29, Township 18 South Range 25 East, M.D.B. & M.	Ratesetting	Ratesetting	NO
A05-10-028 VALENCIA WATER COMPANY (U 342 W), for authority to implement a Low-Income Ratepayer Assistance Program in compliance with Decision No. 03- 05-030 in Application A.02-05-013.	Ratesetting	Ratesetting	NO
A05-10-029 SUGAR BOWL CORPORATION, for authority to operate as a scheduled Passenger Stage Corporation between Soda Springs/Norden and Truckee.	Ratesetting	Ratesetting	NO